

Everglades Restoration Update

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sfwmd.gov





Presentation Summary

- Pump Equipment Procurement
- CERP Guidance Memoranda
 - Stu Appelbaum, USACE
- Land Acquisition
 - Ruth Clements, SFWMD





Projects Utilizing Direct Procurement of Pumping Systems

Acceler8 Projects

- EAA STA Compartment B
- EAA STA Compartment C
- EAA Reservoir A-1
- C-43 Reservoir
- C-44 Reservoir





Primary Project Reasons for Direct Procurement

EAA STA Compartment B

Increase Ability to Meet Schedule

EAA STA Compartment C

Increase Ability to Meet Schedule

EAA A1 Reservoir

 Save Additional Costs of Sales Tax and Construction Manager @ Risk Markup

C-43 / C-44 Reservoir

Increase Competitive Pool





Potential Cost Savings

 No Sales Tax, Lower Construction Contractor Overhead, and No Construction Contractor Markup

Compartment B: \$2,870,000 (1.0% of construction cost)

Compartment C: \$1,780,000 (0.8% of construction cost)

EAA Reservoir: \$2,450,000 (0.3% of construction cost)

C-44 Reservoir: \$ 720,000 (0.3% of construction cost)

C-43 Reservoir: \$2,150,000 (0.5% of construction cost)

TOTAL: \$9,970,000 (0.5% of total construction)

 Potential Cost Savings May Be Less Than Estimated as Construction Contractor May Charge Additional Cost for Uncertainty of 3rd Party Provided Equipment and Requirement to Meet Construction Schedule



Potential Schedule Advantages

- Order Pumping Systems Prior to Completion of Construction Plans and Specifications
 - Early Completion of Pumping System Modeling Reduces Risk of Design Changes to the Pump Station
 - Receive Equipment Earlier as Separate Bid
 - Move Pumping Systems Off the Project Critical Path
- Ability to Remedy Problems Earlier to Lessen Impact to Construction Schedule
- Single Vendor Responsible For Entire Pumping System
 - Pumps, Gear Speed Reducer Drives, and Engines



Potential Risks

- District Responsible To Provide Pumping Systems To Construction Contractor
 - Late delivery of pump station can cause delays to construction contractor
- Coordination with Two Parties (Pump Manufacturer and Construction Contractor)
 - Additional Contract to Manage
 - District Must Resolve All Issues With and Between the Two Parties
 - Increased Staff Time, Cost, and Time for Issue Resolution



- Direct Procurement provides Schedule Advantage and Potential Cost Savings Advantage on Pump Station Projects
- Direct Procurement Is An Advantage for Procuring Advanced Technical Designs that Are Not Representative of Current Industry Capabilities
- Some risk and additional administrative cost is shifted to the District from the construction contractor



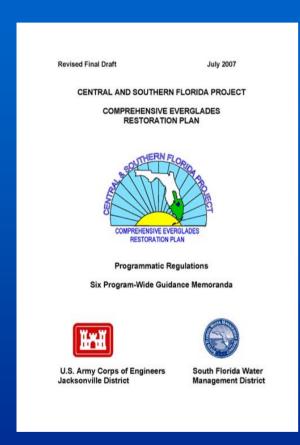
Questions



Background on Guidance Memoranda

- WRDA 2000 requires Secretary Army, with concurrence of Secretary DOI and Governor, to promulgate Programmatic Regulations
- Programmatic Regulations became effective December 12, 2003
- Programmatic Regulations require development and approval of Guidance Memoranda on six program-wide subjects
 - Jointly developed by Corps and SFWMD by December 13, 2004
 - Notice in Federal register to allow for public comment prior to approval
 - Approval by Secretary of Army with concurrence of Secretary DOI and Governor

Development of Guidance Memoranda



- Developed by Interagency team
- Draft GM document posted for public review November 2004
- Final draft document posted for public review May 2005
 - Federal Register notice of availability
 - Significant public concerns about GMs 3 and 4
- Revised final draft posted for informal public review on August 7, 2007

Current Status of GMs

- Revised final draft posted for informal public review on August 7
- WRAC and Task Force briefed in September 2007
- Tribal consultation meetings held
- Federal Register Notice of Availability on October 17, 2007
- Meetings held with agricultural and environmental interests
- Public comment period open until December 17, 2007

Six Guidance Memoranda

- GM 1: Project Implementation Reports
- GM 2: Formulation and Evaluation of Alternatives for PIRs
- GM 3: Savings Clause Requirements
- GM 4: Identifying Water Made Available for the Natural System and for Other Water-Related Needs
- GM 5: Operating Manuals
- GM 6: Assessment Activities for Adaptive Management

Seminole Tribe Concerns

- Intervening non-CERP activities are not subject to Savings Clause
 - Effect on Tribal Compact
- Tribal involvement and consultation challenging due to so many PDTs and efforts currently underway

Miccosukee Tribe Concerns

- Intervening non-CERP activities are not subject to Savings Clause
 - Renders Savings Clause meaningless
 - Lake Okeechobee water lost due to proposed lower regulation schedule will deprive Everglades of water needed for restoration
- Tribe will propose revised language on lease agreement in section 3.7.1
- Tribe considers PDTs in violation of FACA

Agricultural Interest Concerns

- Intervening non-CERP activities are not subject to Savings Clause
 - Major changes to C&SF Project that have impacted Pre-CERP baseline allocations/sources should be mitigated by CERP
 - This position is being driven by the adoption of new regulation schedule for Lake Okeechobee
- Methodology for the Savings Clause should compare the Pre- CERP baseline to the Initial Operating Regime instead of comparison to the Existing Condition baseline as the initial step
- Concern with effects of LORSS on the EAA A1 operating plan
- Concern about the Corps criteria for pricing lands as part of plan formulation- the use of acquisition cost as opposed to fair market value is contrary to established Corps policy

Environmental Interest Concerns

- Intervening non-CERP activities are not subject to Savings Clause
 - Any change to the C&SF Project, or regional system, that make less water available for the environment since 2000 should be made up by CERP
- Concept of Next Added Increment analysis is problematic
- Flood protection requirements could be parlayed into improving levels of service of flood protection at expense of environmental restoration
- Costs of lands previously acquired for restoration outside of CERP should not be included in project costs
- Identification of water methodology needs to be clarified that reservations will be updated through time to at a minimum achieve the amounts identified in the Next-Added Increment analysis

The Road Ahead

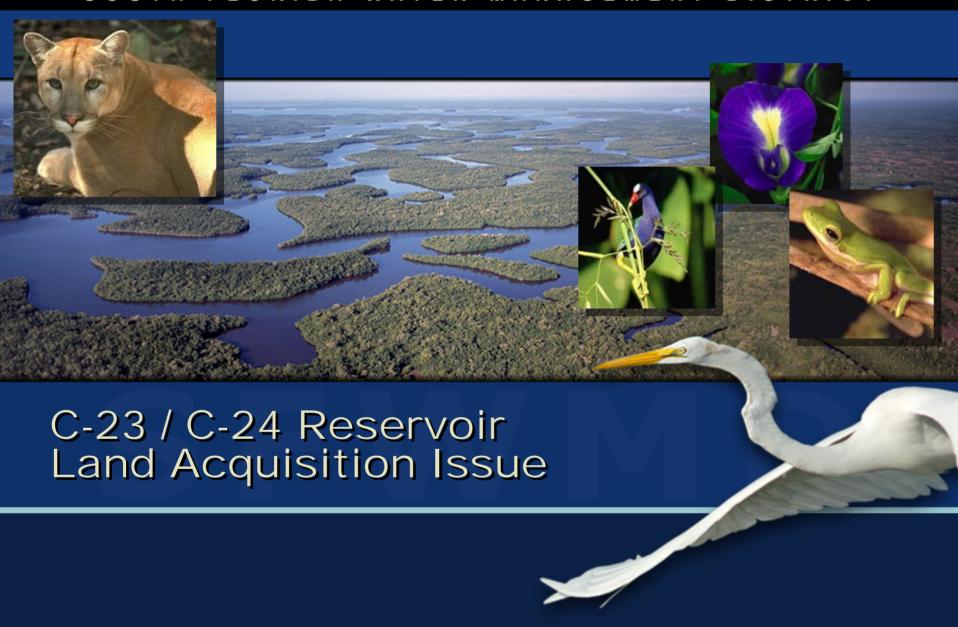
- Public comment period ends on December 17
- Analyze comments
- Finalize GMs
- Obtain concurrence of Secretary DOI and Governor
- ASA(CW) approves GMs

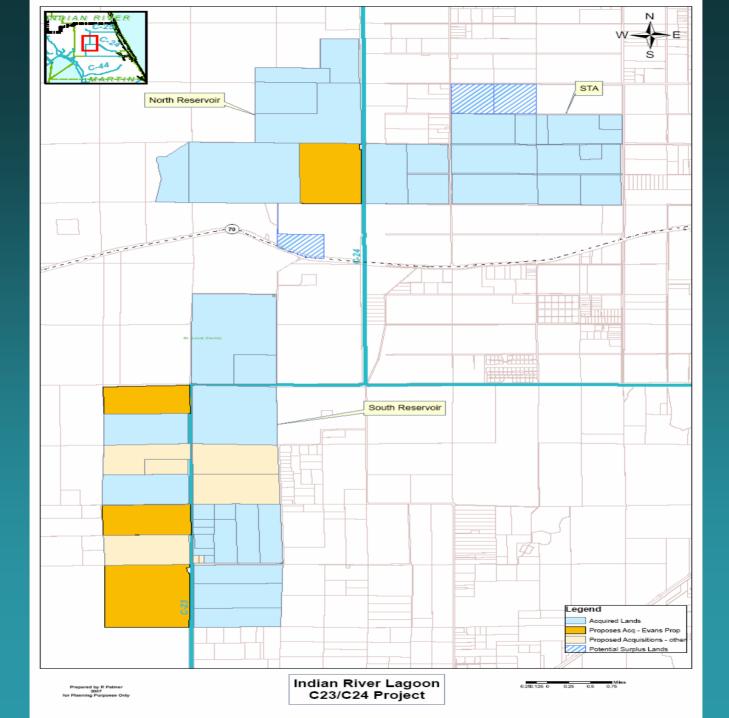


SFWMD Proposed Comments on GMs

- Comments limited due to joint interagency development with US Army Corps of Engineers
- Specific Guidance Memoranda Comment Recommendations –
 - Stronger language in favor of cost sharing in response to ASA memo dated 11/30/07
 - Land crediting Language seeking joint determination on crediting, not just Secretary of the Army
 - CERP Project definition to clarify definition of scope of Savings Clause coverage







INDIAN RIVER LAGOON

- WRDA Authorized Project
- Completes Acquisition of North Reservoir
- **80% Acquired in South Reservoir**
- 100% Acquired in Stormwater Treatment Area

